

# FAQs – Island Annexations

## The Process:

### 1. How does an island annexation process get started?

The initial step in the island annexation process is for LAFCO, County, and city staff to meet and discuss the possible annexation. The agencies utilize these meetings to identify any fiscal or infrastructural issues associated with the annexation (e.g., road maintenance, sewers, water service, etc.), which allows the agencies to identify areas of concern up front. LAFCO staff can often play a facilitation role, working with the County and the City in developing solutions to resolve any issues associated with the annexation.

### 2. When do the residents get involved?

Early in the process. LAFCO sends an informational letter to all affected residents and service providers advising them that annexation is being considered. This gives residents an opportunity to ask questions of LAFCO, County, or city staff regarding potential annexation of their community. The letter identifies specific staff contacts and phone numbers so that any concerns or questions can be addressed promptly.

### 3. As a resident, how do I find out what's really going on and how will my voice be heard?

Community workshops are generally held at a location in close proximity to the proposed annexation area to allow as many residents as possible to attend. The workshops give the residents a forum to ask questions directly of LAFCO staff, as well as County and city staff. The workshops also provide an opportunity for the agencies to explain how annexation might affect the community. Any mutually agreed-upon plans to address concerns and ensure benefits can be made an official part of the LAFCO annexation process.

### 4. What are the formal steps in filing for annexation?

Initiating Annexation: Annexation of an unincorporated island officially begins when a city council adopts a resolution formally requesting that an area be annexed. The council adopts the resolution during a public hearing at a regularly scheduled city council meeting, and residents and service providers are notified in advance of the hearing.

Pre-Zoning: The city then begins a series of administrative processes that update the city's planning documents to reflect the proposed addition of new territory to the city. This step is called pre-zoning. All land within Orange County is currently zoned for specific types of land uses (e.g., residential, commercial, open space, and/or industrial). The County and the cities within Orange County each have zoning categories for their jurisdictions. Cities are generally sensitive to the issue of property rights and citizen desires to remain in conformance with existing zoning. All efforts are made to replace existing County zoning with similar city zoning. The city council adopts pre-zoning at a city council public hearing, and it usually becomes effective upon annexation of the island to the city.

*Environmental Review:* LAFCO, like most public agencies, is subject to the requirements of the California Environmental Quality Act (CEQA). In general, CEQA requires that a project's environmental impacts be evaluated and disclosed. Pre-zoning and annexation of property are considered projects under CEQA. When pre-zoning is proposed as part of an island annexation request, the city is usually determined to be the "lead agency" for CEQA purposes. As lead agency, the city is responsible for preparing the necessary environmental documentation, which LAFCO will use as a "responsible agency" when considering the annexation.

*Standard LAFCO Application:* The annexing city is also required to submit an application for annexation to LAFCO along with the initiating resolution, pre-zoning determination, and CEQA review. The application defines the annexation territory and provides information on land use and city service providers.

## **5. How long will the whole process take?**

The Local Agency Formation Commission (LAFCO) is the governing body charged with determining city boundaries. Once the city submits an annexation application to LAFCO, LAFCO staff reviews it and determines its completeness. This process can take several weeks. Once the application is deemed complete, LAFCO staff issues a certificate of filing and schedules a hearing before the Commission. LAFCO staff also prepares a written report, which includes recommendation the Commission will consider at the hearing, and sends a copy of the report to all LAFCO members, affected local agencies, and other persons who have requested it. An island annexation process commonly takes between four and six months from the date of the initial community meeting to the LAFCO hearing and final approval.

## **6. How will residents know when the LAFCO hearing is scheduled?**

Approval of annexations requires a public hearing before LAFCO. LAFCO staff mails a 21-day notice to all island residents and property owners, which details that the public hearing has been scheduled for the annexation request. Anyone with comments pertaining to the proposed annexation can address the Commission before or during the hearing. (NOTE: Residents who have moved within the last year should notify the city and LAFCO about their change of address in order to ensure that they are notified.)

## **7. When does the annexation take effect?**

An annexation is not deemed complete until LAFCO staff files an official certificate of completion and other documents with the County of Orange. Typically, the effective date of the annexation is the date LAFCO files the certificate of completion the County of Orange Clerk-Recorder (within 31 days of the date of the hearing). Additional paperwork is also filed with the California State Board of Equalization. The affected governmental agencies then know that the jurisdictional change, including the transfer of property taxes and shift in responsibility for providing local services, is complete.

# How will Annexation Affect Me?

## 1. What are the benefits of annexing to the City?

The goal of annexation from the LAFCO, County, and city perspective is to make annexation as seamless a transition as possible for residents. If annexation moves forward, island residents annexing to the city of Placentia will benefit from:

- Enhanced police services
- Weekly street sweeping services
- Convenience of visiting the Placentia City Hall rather than Santa Ana for government service needs such as planning and building services
- Local representation by five City Council Members and the 4<sup>th</sup> District Supervisor

## 2. Will annexation increase my taxes?

Property taxes are fixed at a constant rate set by the State in accordance with Proposition 13, passed by the voters in 1978. This rate does not change, and property taxes are not affected by annexation. In some cases, cities may have a utility tax applicable to the annexing areas. The City of Placentia does have a utility tax that will be assessed to island residents if annexed to the city. The tax is applied to gas, electric, cable, and telephone services.

## 3. How will annexation affect what I can and cannot do with my property?

The allowable land use of property in unincorporated "islands" is determined by the zoning of the County. Before the territory annexes, the city must also zone the property. LAFCO will facilitate discussions with the city about any citizen concerns. Moreover, cities are generally sensitive to the issue of property rights and citizen desires to ensure that land uses remain in conformance with existing zoning.

## 4. What about code enforcement?

In many instances, the County and city zoning codes do not differ that much - both are complaint based and reactive in nature. While the County has recently reorganized its code enforcement department and added new staff, only six officers cover a service territory of approximately 291.5 square miles of unincorporated area. That makes it hard for the code enforcement staff to meet the very high complaint demand. Often times, infractions go unnoticed. The bottom line is: if you are in compliance with the County zoning code, there is a good chance of being in compliance with the city zoning code.

## 5. Will annexation change where children go to school?

No. School boundaries are not affected by annexation.

## **6. Why does the County want to phase out providing local services to islands?**

Following the 1994 bankruptcy, the County initiated a County government restructuring plan and assessed its approach to providing services. As a result of the analysis, the County determined that providing municipal, city-level services to unincorporated islands is duplicative and costly. Residents in these areas can be more efficiently served by surrounding cities. Additionally, the County wishes to continue focusing on its core business of providing regional, not local, services to all County residents.

## **7. Is there an opportunity to work with my surrounding city to address specific concerns and identify community benefits that might be received through annexation?**

Yes. Cities and LAFCO are very interested in working with area residents to address their concerns and identify how annexation might benefit their community. For example, many steps could be taken to maintain an area's unique identity and/or address concerns about zoning and land use. Any mutually agreed-upon plans to address concerns and ensure benefits can be made an official part of the LAFCO annexation process.

## **8. How much will it cost me to annex to the city?**

That depends on whether or not there are existing city-wide bond assessments, utility taxes, or other types of fees that are applied to all other property owners within the city. In this case, the City of Placentia does have an existing utility tax that is assessed on four utilities city-wide: telephone, cable, gas and electric bills. The average collective total tax paid by a resident living in a home between 1,800 – 2,000 square feet is \$6.48 per month (\$76.80 annually). There may also be a slight increase in the cost of trash collection amounting to about \$22 per year. The total additional cost per household as a resident of the city would be about \$100 per year.

## **9. What is Assembly Bill (AB) 1555 and how does it affect island annexations?**

Effective January 1, 2001, AB 1555 significantly streamlines the annexation process for unincorporated islands that are less than 75 acres in total area. The State modified AB 1555, effective January 1, 2005, making any island 150 acres or less eligible for annexation under the provisions of the streamlined process. The legislation made the following key changes: (1) if an island annexation is initiated by city resolution, LAFCOs cannot deny the annexation; and, (2) an island annexation becomes final following the Commission's approval. The modified legislation, allowing islands 150 acres or less eligible for the streamlined annexation provisions, expires on January 1, 2007.

## **11. Will my address change due to annexation?**

Annexation to a city does not automatically require an address change. However, often the public safety service providers (police and fire) see advantages to streamlining the numbering system city-wide to pinpoint locations for emergencies more quickly. The city will make the final decision on address changes, and residents are encouraged to discuss the issue with the city.